

## FREQUENTLY ASKED QUESTIONS (FAQs)

Q#1 Section II, Paragraph 2.1 Purpose, Page Number 7: Is this work (second referral tax account receivables) currently being performed by another PCA? If so, could you please name the incumbent.

A- Currently we are under contract with OSI, Inc, They will not be renewing their contract as they were purchased by NCO Inc.

Q#2 Section II, Paragraph 2.1, Page Number 7: What was the total dollar amount of account referrals to the incumbent? If possible, can you provide the dollar distribution among individual and business accounts and other State receivables.

A-The annual total dollar amount placed for 2<sup>nd</sup> referrals have ranged from \$10 Million to \$13 Million.

Q#3 Section II, Paragraph 2.1, Page Number 7: Please describe "other receivables owed to the State of DE" (page 7, section II, 2.1 Purpose)

A-Other State receivables include mainly student loans and tuition.

Q#4 Section II, Paragraph 2.1, Page Number 7: What is the current collection rate against the total portfolio?

A- The current collection rate has ranged from 0.6% to 1. %. This rate is calculated by the ratio of the total cumulative collection \$ over the total cumulative placement \$.

Q#5 Section II, Paragraph 2.1, Page Number 7: What is the current collection percentage fee for the 2<sup>nd</sup> referral collection agency?

A- 15%

Q#6 Section III, Paragraph 3.2 Volume of Current Accounts, Page 11: Can you estimate the split between individual and business accounts and other state receivables in terms of the number of accounts and their respective dollar values?

A-In \$ percentages they would average 75 to 80% Personal income tax, 20 to 25% Business tax, and 0 to 1.5% Other State receivables.

Q#7 Regarding item E. provide a SAS 70 statement of auditing, or an equivalent statement: Please confirm that a PCI certification and audit will serve as the equivalent of a SAS 70 audit.

A – Although the SAS 70 (Controls for application development and maintenance, data security, application, system, data processing, and business continuity) and PCI DSS (data security) standards are different, your Company would be rated on its certification and audit. It is possible for one proposer to have a SAS 70 with a mediocre or poor results and another proposer have a PCI DSS with high results and be scored equally in that category.